

STATE OF TEXAS \$ \$ KNOWN ALL BY THESE PRESENTS: \$

## FIRST AMENDMENT TO CITY SECRETARY CONTRACT NO. 40728

**DEM 10-05 - NGAQS** 

THIS FIRST AMENDMENT to City Secretary Contract No. 40728 (hereinafter "Amendment") is entered into by and between the City of Fort Worth ("City"), a homerule municipality in the State of Texas, acting by and through Fernando Costa, its duly authorized Assistant City Manager, and Eastern Research Group, Inc. ("Contractor"), acting by and through John Eyraud, its duly authorized Vice President.

WHEREAS, the City and Contractor have entered into that certain agreement identified as City Secretary Contract No. 40728 (also the "Contract") executed on August 20, 2010 for services to include a study of air quality as it relates to natural gas production related activities; and

WHEREAS, that subsequent to the execution of the aforementioned contract, additional time and materials were discovered to be necessary to complete the scope of work contemplated for complete performance of the work plan (Attachment A to Contract 40728); and

WHEREAS, that the City and Contractor mutually agree to increase the not-to-exceed amount for compensation under the terms described herein in order to complete the scope of work identified in the work plan; and

WHEREAS, this amendment is pursuant to and in accordance with Article 19 (Modification) of said contract; and

WHEREAS, the contact to be amended is a professional services contract as described in the Texas Local Government Code at Section 252.022(a)(4) and such contracts are exempt from competitive bidding requirements; and

WHEREAS, on December 14, 2010, the City voted to increase the not-to-exceed amount for the contract as stated in the Mayor and Council Communication C-24659 attached.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the parties hereto agree as follows:

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This contract amendment provides funding as specified herein:

- additional funding for Task 1, which includes labor and materials to complete Project Management in the amount of \$6,696;
- additional funding for Task 3, for the additional canister samples necessary under the initial Point Source Testing conducted to date in the amount of \$12,000; and
- additional funding for Task 5, which includes labor, materials, travel expenses, and subcontractor costs to complete Communication and Outreach in the amount of \$32,752.

This contract amendment with regards to future Point Source Testing is intended by the parties:

- to provide authorization to complete the Point Source Testing task for the Fort Worth Natural Gas Air Quality Study (NGAQS), Contract #40728, Task 3;
- to change the method of compensation for all work necessary to complete point source testing of 180 additional well pads under the Point Source Testing, Task 3, as described in the contract documents, from a time and materials (T&M) basis to a fixed unit price (FUP) basis; and
- to provide additional funding for Task 3, which includes all labor, materials, travel expenses, analytical, and subcontractor costs to complete the remaining 180 test sites at the agreed price of \$1,900 per active well pad tested as per the work plan protocol and a one-time remobilization fee of \$9,000 for a total not-to-exceed price of \$351,000.

Article 3 of the Contract is amended by adding \$402,448 thus increasing the overall not-to-exceed amount to One Million, Two Thousand, Four Hundred Forty Eight Dollars (\$1,002,448) as specified herein.

All terms and conditions of the previous contract documents shall remain unchanged except as specifically provided in this Contract Amendment. In the event of a conflict, the terms of this contract amendment supersede any contrary provisions in any prior agreement between the parties. The reimbursement method for the first \$268,477 of Task 3 remains unchanged as time and materials.

Contractor agrees to guarantee to perform all work necessary to complete Task 3 of the Contractor's Final Work Plan under the terms of compensation as specified herein. Specifically, Contractor will perform Point Source Testing at 180 active well pads in addition to the 190 well pads already tested.

The unit and not-to-exceed prices and billing terms are agreed to as follows: Contractor may invoice the agreed unit price of \$1,900 per active well pad as defined in the work plan on a monthly basis as soon as testing of each site is completed, and the agreed one-time remobilization fee of \$9,000 may be included in the first invoice submitted after field work has resumed in January, 2011.

Mobilization shall ensure field work begins no later than January 3, 2011, and field work will be completed no later than February 28, 2011.

The draft report as described in Task 7 of the Work Plan will be delivered no later than June 15, 2011. The final report will be delivered no later than June 30, 2011.

Contractor assumes all risk of any cost overrun for any reason including adverse weather. Pertaining to the Task 3 work, this provision takes precedence over the force majeure clause in any prior contract. Contractor will be granted an extension in time for delays of deliverables directly due to a continuous period of adverse weather that exceeds one week or due to any event declared a disaster or emergency by the United States government or the State of Texas that is proportional to the event.

Contractor will take all reasonable measures to ensure that adequate staff, materials, and equipment are available to complete the work contemplated under the contract documents.

The City of Fort Worth will provide reasonable office accommodations comparable to that provided for previous work under the NGAQS but no less than 12 hours per day six days per week..

The City of Fort Worth will provide staff necessary to accompany the Contractors field teams as needed to access the study sites to a maximum of six days per week.

The City gas well inspectors shall be available to assist the ERG point source team in obtaining compressor engine data when such data is not available on the equipment itself.

The City of Fort Worth will not provide additional compensation other than as agreed herein for Task 3 of the Work Plan.

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## SIGNATURE PAGE FOR FIRST AMENDMENT TO CITY SECRETARY CONTRACT NO. 40728

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IN WITNESS THEREOF, the parties have executed this contract in triplicate in Fort Worth, Texas, on the dates written below.

CITY OF FORT WORTH

CONTRACTOR
Eastern Research Group, Inc.

BY:

BY:

John Eyraud
Vice President

APPROVED AS TO FORM
AND LEGALITY:

Arthur N. Bashor
Assistant City Attorney

ATTEST:

CORPORATE SEAL:

Marty Hendrix

City Secretary